



EXHIBIT -3  
DATE 1/12/2011  
HB

January 12, 2011

Good afternoon, Chairman Howard and members to the Human Services Committee, my name is Dennis Taylor. I am the policy coordinator for the Montana Children's Initiative (MCI), a provider organization providing children's mental health services, shelter care and foster parent services in virtually every county in the state of Montana.

I appear before you today in opposition to HB 139, the bill to abolish the DPHHS provider rate commission. MCI supports continuation of the DPHHS Rate Commission and urges the committee to not only reject the suggestion that the rate commission be abolished but to consider strengthening the rate commission instead.

There are two bills that would revise and strengthen the commission that are still being drafted by the Legislative Services Division and have not yet been introduced. Before the committee takes action on this pre-filled department bill, we ask that you consider HB 139 in conjunction with these other legislative proposals.

If that cannot happen in an efficient manner, we ask the committee to give HB 139 a "do not" pass recommendation.

The commission was first established during the 2005 Legislative Session under MCA 53-10-201 through 53-10-204 and 53-10-211 and 53-10-212. Since its inception the DPHHS commission has served as a forum for rate review and discussion of fundamnt rate setting principles.

The DPHHS Rate Commission ensures that rates setting for children's mental health and child welfare services is done in a transparent and objective environment. The commission reviews provider reimbursement rates to insure that they are objective, unbiased and developed in a scientific and predictable way to create a balanced and equitable system. The commission has worked diligently to insure client access, quality services and provider network, equitable reimbursement for services and good stewardship for taxpayers.

The DPHHS Rate Commission is a good business practice and a good government practice. It provides a win-win-win for the department, providers and the taxpayers we all service.

We ask that this commission be continued to provide a multi-member, transparent rate setting group that will ensure that provider rates are based on a rigorous and clear methodology that is consistent with Federal Medicaid requirements and complies with all state administrative rules for licensing, contracting, and labor markets.

The DPHHS Rate Commission adopted the following reimbursement principles that go to the very heart of the relationship between government and private agencies providing services to children in community based settings and children at risk of out of home placement.

- The highest priority for public funding must be the care and safety of our most vulnerable populations including at risk children and their families.
- Reimbursement policy must be driven by outcomes and quality practice.
- Government must clearly articulate the regulations and the standards by which services should be governed.
- Government must fully fund the cost of meeting all regulations.
- Government should treat its procurement of services for children with the same respect and sense of equity they have for other goods and services.
- The rate methodology itself must include all direct and indirect costs of providing.

In this time of fiscal restraint and health care transition, the DPHHS Rate Commission is needed more than ever.

Please take the time to find out more about this important body before you take final action on this bill.

Thank you.



## **Montana Children's Initiative Provider Association 2011 Legislative Session Agenda**

**Mission: Working together for an effective efficient system that cares.**

### **Montana Children's Initiative Members**

Acadia Montana, Butte  
Bitterroot Valley Educational Co-op, Stevensville  
Billings Clinic Psychiatric Services, Billings  
Excel, Inc., Billings  
Florence Crittenton Home & Services, Helena  
Intermountain, Helena & Kalispell  
Kairos Youth Services, Great Falls  
Montana Youth Home RMDC, Helena  
Montana State Foster/Adoptive Parent Association  
Montana Community Services, Inc., Billings  
New Day, Billings  
Partnership for Children, Missoula  
Watson Children's Shelter, Missoula  
Western Montana Mental Health Center, Missoula, Kalispell, Butte & Bozeman  
Yellowstone Boys & Girls Ranch, Billings  
Youth Homes, Missoula  
Youth Dynamics, Billings, Helena & Kalispell

### **MCI Legislative Priorities**

1. Support increased provider rates and budgets for child welfare, juvenile justice and children's mental health serves.
2. Support continuation and strengthening the DPHHS Rate Commission.
3. Advocate for an initiative or study to address needs of children transitioning/aging out of services.
4. Expand Medicaid coverage for children aging out of foster care to 21 years of age.
5. Expand Healthy Montana Kids mental health benefit package.